EXHIBIT A

To: Official Committee of Unsecured Creditors of The Antioch Company
c/o Mr. W. Timothy Miller, Attorney
From: Robert Shortle, Senior Managing Director, Periculum Capital Company
Date: January 7, 2009
Subject: The Antioch Company

Background

Periculum Capital Company, LLC ("Periculum") is an investment banking firm headquartered in Indianapolis, Indiana which specializes in mergers & acquisitions, private placement of debt and equity capital and merchant banking. The firm has been in existence for over 10 years and its senior principals have been in the field for as long as 25 years. The firm and its principals have completed more than one hundred investment banking transactions ranging in size up to $300 Million.

Periculum was engaged by the Official Committee of Unsecured Creditors of The Antioch Company to act as its financial advisor in the pending Chapter 11 case. Periculum is tasked with reviewing the valuation conducted by CRG Partners and submitted with The Antioch Company's (the "Company") application as well as conducting an independent valuation analysis of the Company assuming reorganization (the "Engagement").

In connection with the Engagement, Periculum reviewed a variety of materials, including but not limited to:

- The Joint Prepackaged Plan of Reorganization of the Antioch Company and its Affiliate Debtors as filed in the United States Bankruptcy Court for the Southern District of Ohio Western Division-Dayton on November 11, 2008, Case Numbers 08-35741 through 08-35747 jointly administered under Case Number 35741.
- The Disclosure Statement dated November 12, 2008 and filed in the United States Bankruptcy Court for the Southern District of Ohio Western Division-Dayton on November 11, 2008, Case Numbers 08-35741 through 08-35747 jointly administered under Case Number 35741.
- Various Company and advisor prepared financial statements, valuations and assessments of current operations.

Periculum relied on the accuracy and completeness of all the reviewed materials and assumed all of the information to be accurate and complete for the purpose of the Engagement. Periculum did not make an independent evaluation or appraisal of the assets and liabilities, has not had the opportunity to interview management or visit any of the facilities, and is not rendering any legal, accounting or tax advice in the matter.

Neither Periculum nor any principal within Periculum has conducted business with Antioch in the past nor is engaged in any current business activity with the Company other than the Engagement.

Valuation Overview

To determine a range of value for the Company as a going concern post bankruptcy, Periculum examined several different valuation methodologies including:

- The CRG Discounted Cash Flow Valuation
- Estimated Book Value Post Bankruptcy
- Comparable Company Analysis

These three methods suggest a range of enterprise values between $101 million and $46 million with an average of $80.7 Million and equity value of $50.7 Million at the average valuation. Generally, we would not weight book value so strongly, but because of the limited time to analyze the situation, we weighted all methods equally.

Valuation Summary (000)

Enterprise Value		
Discounted Cash Flow	$	100,570
Estimated Book Value Post BK	$	46,088
Comparable Company	$	95,503
Average Enterprise Value	$	80,720
Less Debt	$	30,000
Average Equity Value	$	50,720

Adjusted EBITDA

As a starting point to our analysis, we attempted to create a picture of the Company's earning power as a going concern. As is customary, we have removed the impact of one time and non-recurring events from the income statement. Since the Company has only provided actual results through November 2008, we have created a proforma calculation of 2008 Adjusted EBITDA. The proforma is derived by using a straight line methodology as calculated by the following equation: (November Adjusted EBITDA/11*12). The adjustments we have applied were identified in various analyses conducted by the Debtor and its advisors and provided to us. In addition, one of the Debtor's advisors, Candlewood Partners, identified several additional material adjustments that we have not been able to verify given time and access constraints. Although we have listed the Proforma Adjusted EBITDA with the additional Candlewood Adjustments for reference, in all valuation calculations we have used $25,987,000. What follows is a summary of Adjusted EBITDA for The Antioch Company.

	Actual 11 Months Ending 11/30/2008	Proforma 12/31/2008	Proforma w/ Candlewood Adjustments 12/31/2008
Net Revenue	179,209	195,501	195,501
Total Cost of Goods Sold	79,137		
Gross Profit	100,072		
Operating Expenses	89,787		
Earnings from Operations	10,285		
Other (Revenue) Expense	11,752		
Earnings Before Taxes	(1,467)		
Taxes	514		
Net Earnings	(1,981)		
Interest	9,542		
Taxes	514		
Depreciation and Amortization	6,342		
EBITDA	14,417	15,728	15,728
Adjustments			
Restructuring Costs	6,461		
Discontinued Operations			
Antioch Publishing	1,358		
Custom Framing	3,145		
AP Closure Bonuses	80		
Eliminated Exec Costs	-		1,203
Total Discontinued Operations	4,503		
Excess Inventory Reserves	-		2,500
ESOP Related Expenditures	824		
Fair Market Rent	(2,383)		
Retention Bonuses	225		
Unfunded Retirement Contributions	-		1,326
Total Adjustments	9,405		
Adjusted EBITDA	23,822	25,987	31,016

Notes:

Extended Proforma	All extended proformas are calculated using the formula N/X*12 Where X=the number of months YTD and N = the value
Additional Adjustments	Candlewood Partners identified a variety of additional adjustments that we have not been able to source directly so we have included these in a separate analysis
Sources:	TAC-CC-0511330 - TAC-CC-0511331, TAC-CC-0511338, TAC-CC-0511337 TAC-CC-0152252, TAC-CC-0511332 - TAC-CC-0511336 Evolve 000716 - Evolve 000725, Evolve 000706 - Evolve 000708

The CRG Discounted Cash Flow Valuation

CRG, at the request of the Debtor and the Secured Creditors, conducted a discounted cash flow valuation of the Company. In the analysis, CRG relied on a wide range of assumptions including projected Company performance for 2008 - 2012, an assumed cost of capital and an assumed illiquidity discount. Because we now have the benefit of being able to review actual Company performance thru the end of November 2008, Periculum recast the CRG model using Proforma 2008 Adjusted EBITDA. Holding all other variables in the CRG DCF model constant except for updating the Adjusted EBITDA starting point of the analysis and increasing the tax burden to reflect the higher level of income, resulted in a range of enterprise values from $90.5 to $72.7 with a midpoint of $80.5 versus CRG's original estimate of $38.0 - $31.6 with a midpoint of $34.5 Million after an assumed 20% discount for illiquidity.

WACC	PV of Proj Cash Flows	Plus	PV of Terminal Value – Terminal LT Growth 2.0%	2.5%	3.0%	Equals	Enterprise Value (Pre Discount) – Terminal LT Growth 2.0%	2.5%	3.0%
Low	49,456.1		59,784.4	61,701.2	63,724.4		109,240.5	111,157.3	113,180.6
Base	47,993.0		51,074.4	52,576.6	54,153.9		99,067.4	100,569.6	102,146.9
High	46,822.9		44,073.5	45,273.7	46,528.6		90,896.4	92,096.7	93,351.5

Enterprise Value after 20% Illiquidity discount – Terminal LT Growth 2.0%	2.5%	3.0%
87,392.4	88,925.8	90,544.5
79,253.9	80,455.6	81,717.5
72,717.1	73,677.3	74,681.2

Given the full cost of equity assumed by CRG and the fact that a control premium would actually be expected in a sale transaction involving the whole enterprise, we feel the 20% illiquidity discount is unjustified and the analysis should focus on the pre-discount valuation which has a midpoint of $100.6 million.

The other major CRG assumption that needs to be brought to light is their assumption that Adjusted EBITDA will fall 41% to $8.2 Million in 2009. Current performance appears to have leveled out around $20 - 25 Million in Adjusted EBITDA on an annualized basis and it is unclear why one should expect such a precipitous additional EBITDA drop in 2009. We have not attempted to adjust the model for this assumption and have taken the same year over year percentage changes from the 2008 Adjusted EBITDA starting point.

Estimated Book Value Post Bankruptcy

Implied in the reorganization plan is a Company balance sheet, or expected statement of financial condition, upon emergence from bankruptcy. Since the plan is an indication of the Debtor and Secured Lenders' performance expectations post-bankruptcy, the balance sheet provides another reference point for enterprise value expectations post-bankruptcy. Periculum created an estimated opening balance sheet for the Company upon emergence from bankruptcy as of January 31, 2009, attached as Exhibit A, which results in an enterprise value of $46.1 Million and an equity value of $16.1 Million.

The construction of the opening balance sheet required that certain assumptions be made which we believe to be reasonable but ultimately will be contingent upon a number of variables which cannot be known until the bankruptcy process is completed. Because of this, the balance sheet analysis should be used only serve as a reference point. The following assumptions were used to construct the balance sheet:

- January 31, 2009 emergence from bankruptcy.
- Utilization of company prepared 1/31/09 balances for cash, accounts receivable, inventory, prepaid assets, other assets, and accounts payable.
- Utilization of 9/30/08 Company prepared actual balances for accrued employee compensation, accrued taxes and deferred revenue.
- Accumulated depreciation is zeroed out in accordance with fresh start accounting.
- Fixed asset values are reallocated based on remaining book value. Appraisals reflecting fair market value would be used at the time of the emergence, which are not available.

- The leased property, SC Leased Buildings, is removed from both the asset and liability sections of the balance sheet and EBITDA is adjusted downward to reflect fair market value lease expense from a third party lessor.
- The notes payable and debt are replaced by a $30 million term loan.
- Other accrued liabilities and accrued profit sharing/ESOP liabilities are removed through the bankruptcy proceedings.
- Other long term liabilities are reduced by 75% through the bankruptcy proceedings.
- Warrants are eliminated and the differential between assets and liabilities is reflected in the new common stock book value.

Comparable Company Analysis

Periculum conducted a comparable company valuation analysis of the Company. We attempted to consider similar private transactions as well as public companies. Since we were only able to find two relevant private transactions, a data set too small to be reliable, we have chosen to focus on public company comparables. Our analysis focused on two types of companies, those in a similar industry grouping, and those reorganizing through Chapter 11.

While it is impossible to find exact matches for any company, including Antioch, we have chosen a set of companies that share common industries, product offerings, customers and business climates. As a starting point for companies in a similar industry we used the same list of companies that Prairie Capital Advisors used in their valuation for ESOP purposes and have added four additional companies.

Prairie Capital Comps	**Additional Comps**
AC Moore Arts & Crafts, Inc. (ACMR)	American Greetings Corp. (AM)
Avon Products, Inc. (AV)	CSS Industries, Inc. (CSS)
Blyth, Inc. (BTH)	Russ Berrie & Co., Inc. (RUS)
Jo-Ann Stores, In. (JAS)	Shutterfly, Inc. (SFLY)
Tupperware Brands Corporation (TUP)	

We calculated the average multiple of trailing EBITDA for this group and have made adjustments to the multiple to compensate for the strengths and weaknesses of the Company relative to the comparable set. Based on the December 31, 2008 closing stock prices and the September 30, 2008 Trailing Twelve Month EBITDA (the last quarterly reported EBITDA of the public companies) of the nine peer companies, an EBITDA multiple of 4.9 times was derived. We believe given the relative smaller size of the Company and the negative earnings trend, somewhat offset by the minority trading values in the public comparables, it is appropriate to take a discount relative to the peer group of 25%. Applying this analysis to the Company's results suggests an enterprise value of $95.5 Million and an equity value of $65.5 Million.

Comparable Company Valuation Estimate	
Comparable Public Company Mean EBITDA Multiple	4.9x
Size and Negative Performance Discount	25.0%
Discounted EBITDA Multiple	3.7x
Antioch Proforma 2008 EBITDA	$25,987
Implied Enterprise Valuation	$95,503
Debt	$30,000
Equity Valuation	$65,503

We also looked at comparable companies reorganizing through bankruptcy. We selected companies that filed for bankruptcy protection in the past 12 months, plan to reorganize and are characterized as being in a consumer discretionary industry. We eliminated the two highest and two lowest outliers. This screen resulted in the following set of companies:

American Ammunition Inc. (OTCPK:AAMU)	RedEnvelope Inc. (OTCPK:REDE.Q)
CenterStaging Corp. (OTCPK:CNSC)	Sharper Image Corp. (OTCPK:SHRP.Q)
DnC Multimedia Corporation (OTCPK:DCNM.Q)	Shoe Pavilion Inc. (OTCPK:SHOE.Q)
Enesco Group, Inc. (OTCPK:ENCZ.Q)	Steakhouse Partners Inc. (OTCPK:STKP)
Equity Media Holdings Corporation (OTCPK:EMDA.Q)	Syntax-Brillian Corporation (OTCPK:BRLC.Q)
Fearless International, Inc. (OTCPK:FRLE)	The Parent Company (NasdaqGM:KIDS)
Harold's Stores, Inc. (OTCPK:HRLS.Q)	TOUSA, Inc. (OTCPK:TOUS.Q)
Impart Media Group, Inc. (OTCPK:IMMG)	WCI Communities Inc. (OTCPK:WCIM.Q)
Lexington Precision Corporation (OTCPK:LEXP.Q)	Whitehall Jewelers Holdings, Inc. (OTCPK:WHJH.Q)
Paladin Holdings, Inc. (OTCPK:PLHI)	

Most of the companies in the comparable set have negative EBITDA while Antioch has positive EBITDA. As a result, multiples of revenue provided the only consistent metric for enterprise value. The average was 1.1 times revenue. This would create a value above a reasonable range for Antioch; however, if we were to assume a valuation of .5 of sales it would be in the range of the non-bankrupt group comparable analysis above. Our view is that the application of bankrupt company revenue multiples does not have a strong correlation to market value.

(All public company data used in the comparable company analysis was sourced from the Capital IQ database.)

Exhibit A

Assets

	9/30 BK Filing-Liq.	9/30 Co. Prepared	Post BK Opening	Comments
Cash & Equivalents	$ 5,000.00	$ 12,827.00	$ 2,000.00	Jan 2009 Company prepared projected level
International Subs	$ 16,187.00	$ -	$ -	
A/R-Trade	$ 1,949.00	$ 936.00	$ 983.00	Jan 2009 Company prepared projected level
A/R-Other	$ 4,671.00	$ 5,008.00	$ 4,978.00	Jan 2009 Company prepared projected level
A/R-Total	$ 6,620.00	$ 5,944.00	$ 5,961.00	
Inventory				
Raw Materials	$ 3,280.00	$ 3,280.00		Jan 2009 Company prepared projected level
WIP	$ 65.00	$ 65.00		Jan 2009 Company prepared projected level
FG	$ 20,665.00	$ 29,119.00		Jan 2009 Company prepared projected level
Reserve	$ (9,355.00)	$ (9,350.00)		Jan 2009 Company prepared projected level
Total Inventory	$ 14,655.00	$ 23,114.00	$ 28,304.00	
Prepaids	$ 2,956.00	$ 4,054.00	$ 3,645.00	Jan 2009 Company prepared projected level
PP&E				
Land	$ 451.00	$ 1,755.00	$ 1,755.00	No depreciation on land, value remains the same
SC Leased Bldgs	$ 28,404.00	$ 28,405.00	$ -	Removing leased property to operating lease
Bldg & Impr.	$ 5,649.00	$ 9,650.00	$ 2,982.00	Pro-rata allocation of book value less leased bldgs
Equip	$ 65,653.00	$ 68,025.00	$ 21,023.00	Pro-rata allocation of book value less leased bldgs
CIP	$ 559.00	$ 560.00	$ 173.00	Pro-rata allocation of book value less leased bldgs
Gross PP&E	$ 100,718.00	$ 108,395.00	$ 25,872.00	
Less Accum. Dep.	$ (70,576.00)	$ (73,338.00)	$ -	Fresh start acctg zeroes out depreciation
Total PP&E	$ 30,142.00	$ 35,057.00	$ 25,872.00	Pro-rata allocation of book value less leased bldgs
Other Assets	$ 8,017.00	$ 6,704.00	$ 7,002.00	Jan 2009 Company prepared projected level
Total Assets	$ 83,579.00	$ 87,701.00	$ 72,784.00	

Liabilities & S/H Equity

	9/30 BK Filing-Liq.	9/30 Co. Prepared	Post BK Opening	Comments
Notes Payable	n/a	$ 14,943.00	$ -	Removed through BK process
Accounts Payable	n/a	$ 11,628.00	$ 8,664.00	Jan 2009 Company prepared projected level
Accrued Employee Comp	n/a	$ 4,467.00	$ 4,467.00	Non-working capital balance; uses 9/30/08 level
Accrued Profit Sharing/Incentive/ESOP	n/a	$ 3,239.00	$ -	Removed through BK process
Accrued Taxes	n/a	$ 2,092.00	$ 2,092.00	Non-working capital balance; uses 9/30/08 level
Other Accrued Liabilities	n/a	$ 17,849.00	$ -	Removed through BK process
CPLTD	n/a	$ 14,048.00	$ 2,000.00	Current Portion of new $30MM facility
Total Current Liabilities	n/a	$ 68,266.00	$ 17,223.00	
Long Term Debt	n/a	$ 86,310.00	$ 28,000.00	New Debt Facility replacing previous debt
Other Long Term Liabilities	n/a	$ 39,702.00	$ 10,000.00	Estimating 75% is eliminated through BK process
Deferred Revenue	n/a	$ 1,473.00	$ 1,473.00	Non-working capital balance; uses 9/30/08 level
Total Long Term Liabilities	n/a	$ 127,485.00	$ 39,473.00	
Shareholders Equity				
Warrants	n/a	$ 32,334.00	$ -	Warrants eliminated in the BK process
Common Stock	n/a	$ 974.00	$ 16,088.00	New Stock
Paid In Capital	n/a	$ 3,540.00	$ -	PIC eliminated in the BK process
Treasury Stock	n/a	$ (100,710.00)	$ -	Treasury Stock eliminated in the BK process
FCTA	n/a	$ (1,258.00)	$ -	FCTA
Retained Earnings	n/a	$ (42,930.00)	$ -	Retained Earnings eliminated in the BK process
Total Stockholders Equity	n/a	$ (108,050.00)	$ 16,088.00	
Total Liabilities and Stockholders Equity	n/a	$ 87,701.00	$ 72,784.00	